THE IMPLEMENTATION OF CSR REPORT BASED ON TRIPLE BOTTOM LINE AND ISO 26000
(Case Study PT. Astra Tbk.)

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The study tries to analyses the implementation of corporate social responsibility (CSR) in PT Astra Tbk by using triple bottom line combined with ISO 26000. The author uses content analyses method. By using content analysis, it can be seen whether the CSR report made by PT Astra Tbk is in accordance with ISO 26000 or not. In fact, the results from the content analysis of CSR activity show that most of PT Astra Tbk activities have already been suitable with the indicator in ISO 26000, such as: organizational governance, labor practice, human right, customer issue, community development and environment issue. There are some indicators, however in the fair operating practices which are not published by this company in its indicator report of ISO 26000, such as anti corruption, fair operating practice, responsible political involvement and respect for property right.

Key word: corporate social responsibility (CSR), triple bottom line, ISO 26000, secondary data, content analysis.
Introduction

Corporate social responsibility (CSR) is one of the regulations that must be done by the company based on Indonesia laws. There are two regulations that define CSR. They are the Laws No.40 of 2007 on “Perseroan Terbatas” (PT) of Article 74 and Laws 25 of 2007 on investment of article 15.17 and 34. The responsibility of company must be in accordance with the laws, so each company must give the information about social company responsibility. With the participation from the company to keep the environment can make economic growth healthy. The company must also consider environment factor.

According to Wahyudi (2008), CSR concept for environment has grown up in the world since 1980. In Indonesia since 2005 CSR had just started introducing to the company to cares about environment. Responsibilities in environment issues not only become the role of government but also the participation of the company to maintain the quality of life and environment. Commitment in business to give contribution for economic growth and environment will be continued because it has many functions for company, in society or environment.

The company which has already grown have many operational activities will use this method. The complexity of operational activity in this company will make responsibility or try to ease operational activity. Because of that the growth of this company supported by sophisticated technology, knowledge, culture and politics should be followed by the responsibility of company in environmental field. It is then also begun with the responsibility for operating the company.
Hadi (2010) argue that, the responsibility of giving the CSR report is from the government, so the company must give the report of CSR activity, because by giving report of CSR activity, the company can add this value. By using CSR, it is expected that the company will get a social legitimacy and can maximize the finance strength in the long term with this social responsibility. By giving information, this company can add value of company. So there will be a good relationship between company and government or society.

Information about CSR report from the company will become an important basis for investor and potential investors to make decision. Completeness, accuracy, and provision of company information will give certain assessment valuation to the investors who establish the expected policy. Frequent requested information to be stated by the company is about corporate social responsibility. Because of it is, this information will provide an overview for investors to see how a firm adherence to the laws that have been made by the government and to care for the environment.

Information given by the CSR report is the continual report for the transparency. David (2008) stated that, transparency, as a principle, means that the external impact of the organization can be ascertained from that organization reporting and pertinent fact are not distinguished within that reporting. The effect of the action done by the organization, including external impacts, should be apparent to all that use the information provided by the organization’s reporting mechanism. Transparency is needed to make a report. It is a form of communication between company management for making a report with the society who reads this report.
Then, with this continual report, Company is expected to give the information about all the things they have done during certain time and to make plans for the future. This continual CSR report information is expected to be an information and evaluation for this CSR plan. Therefore we can evaluate on how it affects in the economic, social and environment fields.

The CSR activity report for the company is the device for strategic activities of the company to enhance the company's competitiveness in the business world. And it can also improve the image of the company in the marketing world company. On the other hand, it can minimize the negative crisis effect that can happen at any time in the company. With the growing recognition of the company through its CSR program that covers many stakeholders and reach out of, to the community to make the additional value internally, also help to encourage pride among the employees because they give contribution not only in general to the company, but also to give the maximum contribution to the public.

In Indonesia, there are a lot of go public companies that have made a CSR report since 2005. As a proof for their existence, they do not only make a profit oriented activities but also make contributions to the community. According to Astra website (2011), which was initially established as a trading company based in Jakarta in 1957, Astra continues to grow into one of the leading company groups in Indonesia with solid support from internationally renowned strategic partners. After following share listing on the Indonesia Stock Exchange in 1990, the company name was correspondingly changed to PT Astra International Tbk.
CSR History

Global crisis happens now, so the government decides to make regulations to solve the effect of global crisis. Because natural resources have been run out and human resources have experienced a decrease in their moral. All ecosystems in the world get bad effects from global crisis because many people do not preserve the nature well. According to Keraf (2002), cases of contamination by the company mostly are caused by the behavior of the companies that do not have the responsibility. That case does not only involve the bad attitude of human towards the nature, but also the carelessness of the government in taking care of the nature. Even there are many social cases in the globalization era which give a lot of damage for people and environment.

Human errors in managing their performances and the environment around them make them exploit the nature freely environment having the responsibility for their environment. As a consequence, the government makes regulations which are aimed to control, manage and ask for the responsibility of humans to take care of the nature.

According to Harahap (1997) social responsibility is caused by the shift of the orientation on shareholders to stakeholders, namely the tendency towards social welfare in which the state cannot survive alone without the participation of the citizen, and the company cannot develop without the support from people and environment. Their fact is increasingly recognized and the responsibility is highly needed.
**CSR Understand**

Corporate social responsibility means the company does not only make orientation to get a profit but also care about the environment, and about the shareholder environment. According to Hartman (2008) corporate social responsibility (CSR) is a responsibility for company to the community by identifying shareholder group, and incorporating their needs and interests in the process of operational and strategic decision making.

The company must have a concept that organization, especially company has a responsibility toward customers, employees, shareholder, community and environment in every aspect of company operations. CSR have a close relationship with the company life and activity for the long period. In making decision, the company should pay attention to the effect for the environment. Because it is confirm that, company cannot be said to stand alone in the operations without getting any assistance either from their surroundings or from stakeholders. Companies must improve their image and reputation in the eyes of stakeholders. CSR has a responsibility for the shareholder or in the stakeholder.

Corporate social responsibility in this concept is going through revolution in line with the growth of business, Politic, social development and human right. Moreover CSR trilogy can be influenced by globalization effect, and by the information technology development all of these will show the importance of CSR.

Until know we still don’t have the same language to interpret and implement CSR, although all of the academic, world business and government know that CSR is
important for the company. This problem arrases the economic experts or agencies have a different argument to describe CSR. Because their looked CSR from different perspective and subjective. In Indonesia CSR terminology is always the same as social responsibility, corporation and company social responsibility. For the future the terminology of CSR must be the same.

The basic difference is in the CSR, the entire program are attempted to run the company based on the economic, social and environmental. Matters this program can be used in a short term period but will be continued. Companies do not only give their money, but also attempt to keep their sustained program can run smoothly. To get their target, the companies monitor and evaluate the programs, even make the report as a reflection of output to be a hallmark of feedback through CSR.

So it is not wrong if the companies can only implement and make application in features aspect triple bottom line, and CSR can be implemented as one of the activities which is focused on morality. In fact, CSR is often referred to as an act of philanthropy, altruistic, moral policy, not as an obligation. Such an understanding is also not wrong, because some scopes of CSR have been arranged in such a way that has the positive law, such as the provision of employment, consumer protection, environment and so forth. For the future, reinterpretation of CSR is needed so that it is no longer meant as responsibility in a social sense, but interpreted as responsibility in law in the meaning of obligation.
CSR scope

CSR is a company commitment which has broader meaning with the interest for stakeholder rather than for mere corporate interests. In another word, although the company’s goal is just oriented in the profit, the company should not get a profit by sacrificing the interests of other relevant parties. So all companies must be responsible for their action and activities because their activities have effects either directly or indirectly on their stakeholders and environment where the companies work.

According to Elkingston’s (1997) scope for corporate social responsibility in outline is divided in three aspects. Those are economic prosperity, social justice, and environment quality. The three aspects is called triple bottom line. The next he said the company that uses this concept must pay attention to triple P is a profit, planet and people. If a triple bottom line is linked with triple P, we can get a conclusion that a profit is as a form of economic prosperity, planet is a form of environmental quality and people is a form of social justice. With this idea the company is no longer rests on one thing only.

Perspective in CSR

In the global era, development grows very faster and so does free market makes domination in the company in many aspects of life, and changes the paradigm which focuses on the power in real politic. So far, the focus of political power is on the government, so the word of responsibility is always involved with the
government. In global paradigm, the central power must be admitted to have already been spread in various companies. So responsibility which is related to the company world that had been imposed by the government can divert some of the companies. Responsibility that is given to the company is called CSR.

**CSR on Shareholder Perspective**

CSR will bring different effect system of economic to the economic systematic. And also there is only one social responsibility for companies that utilize the existing resource and do activities which are aimed to increase profits, as long as they are consistent with the existing rules. In reality, there are many companies that only have orientation to increase the investors to get a lot of profits; they use their responsibility just for the investor. They try to get the wealth as much as possible by committing a foul.

Many managers do not have an ethical in making a decision. As a good manager must have an ethical to make a decision which cares about the legality for aspect and transpiration. The decision taken must be based on the companies’ future. Therefore it is highly unethical if a managers uses company resources for illegal actions so this kind of manager should get sanction, whether criminal or civil penalty.

The next problem is what indicator can be used by company to state an action of CSR for the company management that is ethical or not ethical. Based on stakeholder theory the indicator that can be used to determine corporate managers they act ethically when they can create the wealth and profits for shareholders in
conducting business. If the indicator is not met, it means the manager has acted unethically or immorally.

**CSR based on Triple Bottom Line**

The business industry is growing very fast in accordance with the development at this time. These developments make the industries have many negative impacts on the environment and surrounding communities. This is due to both resource industry that uses a lot of resources and environment of the community resources. Where the industry fast or not, it will reduce all of these resources in accordance with the development era. There lays the importance of corporate responsibility in protecting the environment for a balance in exploration.

The existence of a social responsibility but which still has a lot of rules can not be applied by the company. The rules are there just tends to be limp and weak when it is implemented it in the community. These companies just do a social responsibility based on compulsion not with a sincere heart in performing their social responsibilities.

According to the world commission on environment and development (1987) cited by Ismail (2008) one of the important points in the report are put forward the concept of sustainable development. Sustainable development is development that meets present needs needs without compromising the ability of future generation to meet their own needs.
A major breakthrough in the development of corporate social responsibility (CSR) put forward by Elkingston (1997) who argue that, if the company wants to sustain it is necessary to pay attention to the triple bottom line (3P) the company should not only get profit but also give a positive contribution to society (people) and actively participate in protecting the environment (planet). The concept of the triple bottom line is a continuation of the concept of sustainable development which has been linked explicitly between the dimensions of purpose and responsibility to both shareholders and stakeholders.

**CSR based on ISO 26000**

In the 2001 ISO, an international federation that made regulations said that company must have a standard corporate social responsibility. After long discussion for 4 years, finally management ISO made a standard for corporate social responsibility. CSR is one part of the Social responsibility. Hanks (2009) argue that, Responsibility of an organization for the impacts of its decisions and activities on society and the environment, through transparent and ethical behavior that: contributes to sustainable development, including health and the welfare of society, takes into account the expectations of stakeholders, is in compliance with applicable law and consistent with international norms of behavior; and is integrated throughout the organization and practiced in its relationships.

Social responsibility based on draft document ISO 26000, is ethic and responsibilities related action organization that considers the impact of the
organization's activities on the various parties in a manner consistent with the needs of the community. According to Ramos (2009), ISO 26000 is a standard that provides guidance on social responsibility to all types of organizations, regardless of their size or location. ISO 26000 is guidance for organizations in the private, public and non-profit sector. ISO 26000 is not intended or appropriate for certification purposes, regulatory or contractual use. This standard does not contain requirements and therefore use word “should” in order to indicate a recommendation. ISO 26000 is not intended to provide a basis for legal actions, complaints, defences or other claims. ISO 26000 only intends to provide guidance. The main purpose is to provide practical assistance for operationalizing social responsibility in all types of organizations. ISO 26000 can be used as a part of public policies activities.

Final document ISO 26000 can give positive effect to solve the problem in the tackling the problem of poverty, food and nutrition, health issues, education issues and social welfare issues. Implementation of CSR in the company will create a climate of trust in them, which will increase employee motivation and commitment. The part of consumers, investors, suppliers and other stakeholders have also been shown to give more support to company considered socially responsible, thereby it will increase market opportunities and competitors’ excellence. All the advantages that companies get by implementing CSR show better performance and it can increase profits and growth.
**CSR Laws Regulation**

Provisions of the legislation about CSR in Indonesia are:

1. **Explanation** Article 15 letter B statute number 25 in 2007 about investment. It confirms that “corporate social responsibility is the responsibility inherent in any investor of the company for making a good balanced relationship with its environment, value, norm and culture of the community.

2. The laws of the Republic of Indonesia Number 40 of 2007 on limited liability Chapter 1 Article 2 states that “the company should have a purpose, objectives and business activities that do not conflict with statutory provisions, public involvement or decency.

3. Article 1 number 3 statute number 40 in 2007 about “perseroan terbatas’ (PT) also confirm that social responsibility and environment are commitment from the company to participate in the continual economic development and increase quality of life and good environment which create, many benefits for company, community and people in Indonesia.

**Type of the Study**

In this study, the author decided to write about analysis of the implementation CSR report (Case study of PT Astra International Tbk, year 2011). The author used a qualitative - descriptive perspective methods which explains the analysis of the implementation CSR report activity in PT Astra Tbk. Denzin and Lincoln (1994, p.7)
paraphrase Nelson et al.’s (1992, p.4) stated that a qualitative research is an interdisciplinary, Trans disciplinary, and sometimes-counter disciplinary field.

According to Merriam (1998) cited by Santoso (2012), the purpose of the qualitative method is to investigate about phenomena, the characteristics, and the meanings which are spread in populations, events or situations. Moreover, the results of the qualitative research are usually précised and narrow, and the sample tends to be large, random, and representative. In addition Moleong (2005, p.6) stated qualitative research has a purpose to understand phenomena about what subject feels holistically, and describe it grammatically. Moreover, Moleong (2005, p.8) explained the qualitative research has some characteristics which differentiate this research from other types of research.

According to Zhang and Wildemuth (2008) Qualitative content analysis is a valuable alternative to more traditional quantitative content analysis, when the researcher is working in an interpretive paradigm. The goal is to identify important themes or categories within a body of content, and to provide a rich description of the social reality created by those themes/categories as they are lived out in a particular setting. Through careful data preparation, coding, and interpretation, the results of qualitative content analysis can support the development of new theories and models, as well as validate existing theories and provide a lot of descriptions of particular settings or phenomena.

Data used for this research are secondary data; secondary data is the data which is not obtained directly from the source. The data are in the form of notes or
literature used for this study. The Secondary data is CSR report of PT Astra Tbk 2011. The report was gained through the official website of PT Astra Tbk, www.astra.co.id.

The method used to measure the completeness, breadth and depth of its social responsibility in the implementation of the CSR report of PT Astra Tbk is an analysis context method. Context analysis is a research technique to analyze the data interns of the verbal and symbolic data, in which the analysis is in the form of documents and texts, attempts to the text contents are based on the categories that have been placed systematically and repeatedly. Thus, the objective and systematic recording can generate qualitative descriptive about the symbolic content of a text. In the management of data, to reveal the elements in the report of CSR, author requires a reference in the report. This study examines the suitability of the content of the CSR Report of PT Astra in 2011 with the concept of triple bottom line which is a concept for making a CSR. According to Elkingston (1997), company must concern on the triple bottom line as a responsibility to the shareholder. This concept concerns on triple bottom line.

1. Planet
2. People
3. Profit

To deepen the analysis, this study also discusses the suitability of the content of the concept of CSR report with ISO 26000. Based on Atler (2004), this is the step for analyzing the data used in the report of PT Astra Tbk 2011 based on ISO 26000.
which includes 7 aspects. ISO concept was chosen because the current and prevalent social issues discuss about:

1. Organizational governance
2. The issue of fair operating practice
3. The issue of labor practice
4. The issue of human right
5. The consumer issues
6. Issue of community and development
7. Environmental issue

Company Profile

PT Astra International Tbk is one of Indonesia's largest diversified conglomerates. The company's operations have long been centered around its core automotive manufacturing and distribution business, which remain in, it is largest division, at nearly 83 percent of total sales of IDR 31 trillion ($3.7 billion) in 2002. The opening of Indonesia's import market at the dawn of the 21st century, especially to fellow ASEAN economic community members, has forced Astra to adapt--in May 2003, the company sold off nearly all of its holdings in its longtime automotive manufacturing joint venture with Toyota.
**Company based on Triple Bottom Line**

Every company should agree that CSR is a must and should be applied, so the management and stakeholder responsibility really decide the CSR planning. That the companies have made for the standard of size and implementation of work. Size or implementation that becomes standard to apply some decision from the management. So the business will be growing and become more transparent, either to the shareholder or stakeholder. The success of the company is not only measure by financial analysis but also seen from social and environment aspect. In CSR improvement applied paradigm should be in accordance with three bottom lines. This theory was made popular by Elkington (1997). According to his book that is called “cannibals with fork the triple bottom line of twenty century business” Elkington developed the concept of the triple bottom line on the term of economic prosperity, environment quality and social justice.

**Company based on ISO 26000**

ISO is a standard created in CSR activities. ISO element consists of the points detailed in CSR activities. ISO 26000 makes a point-point focus in CSR activities. Focus is aimed to make it easier for companies to undertake CSR activities. ISO 26000 is the international standard used by a company in CSR activities. ISO 26000 has 7 elements to make the company focus in CSR activities. Those elements consist of:

1. Organizational Governance
2. Fair operating practice
3. Labor practice
4. Human right
5. Consumer Issue
6. Community development and involvement
7. Environmental issue

**Company Based on ISO 26000 about Organizational Governance**

General meeting from the stakeholder is one of the higher decision making in the organization. By conducting the general meeting it can be hoped to get a point and can maintain the management of organization clearly and without having any hidden secret inside the company. This is the same as the triple bottom line as basic on economic prosperity and ISO 26000 which based on organizational management issue.

**Company Based on ISO 26000 about The Issue of Fair Operating Practice**

In this CSR report Astra already published the report profit, tax and create job. Based on the triple bottom line, this activity is the same as the prospect of profit. So the company must think about the program to get a profit, and cares about the prospect in the economy. This aspect is same as the point of aspect in the triple bottom line on the profit oriented. The company must have a responsibility to get a profit, pay the tax to the government and have the obligation to create job for the
community. At this point the company has already adopted the ISO 26000 that cares for the published CSR report of the issue of fair operating practice.

**Company Based on ISO 26000 about The Issue of Labor Practice**

Companies must care for their employees. They must have the responsibility to care for the employees. Because people are a social part in the environment that need interaction with other people in doing activity. So it has already been explained before company in making CSR program needs the extra responsibility for the employees.

**Company Based on ISO 26000 about The Issue of Human Right**

Company must think about the activity that cares of the shareholder around the company environment. They must think about the health and welfare of the people around them. Because it has already been said before based on Jhon Elkingston Argument Company must care of the people around it. Every company must not only thing about stakeholder but must also think about shareholder too. In here, the author will discuss about company that makes the activity by considering the issue of human right. The company must think of human right issue based on ISO 26000 and also should care of the environment education. This obviously will help the government in implementing programs to improve the welfare of its people and also help to ease the burden of the community around them.
Company Based on ISO 26000 about The Consumer Right Issue

Customer is one of the important elements for the life of the company. This is the basic important element for the company. Without customers the life of the company cannot stay long. Because of that company must think of the customer needs. This point has already been known based on ISO 26000 about company must care of the issue of consumer more than they expect. Because the lack of attention will cause consumers avoid them. Consumer will switch to another company. This is also one part of the triple bottom line is that companies should concern about people. This company concern is implemented in one of the elements of the triple bottom line.

Company Based on ISO 26000 about Community Involvement and Development

Public participation in the CSR activities undertaken by the company will be expected to increase the company's existence in society. Company's concern for public participation will depend on how the company image in the eyes of the public. Company image will look good when they perform activities in accordance with the wishes of the public participation. Companies should consider what aspects are in the public Participation that can be considered properly. Aspects related to public participation should be carefully considered. They should pay attention to all aspects of the community that are around. This is consistent with what has been specified in the ISO 26000 on public participation in the community.
**Company Based on ISO 26000 about Environment Issue**

Companies must pay attention to the issue of the environment around them. Environment must be preserved by the company, because the environment is not only used by the company at this time, but it will also be inherited by their children and grandchildren someday. It is to be considered by the company. Therefore, companies make CSR programs as a form of responsibility of the company to pay more attention to what is happening around their nature. This was one of the company's sustainability report required by the community to be able to maintain a state of nature around them. The terms of implementing the CSR has been arranged both in ISO 26000 as well as in the triple bottom line. It has been described how the company's responsibility to the environment to continue maintaining the state of their surrounding environment.

**Conclusion**

PT Astra Tbk has implemented corporate social responsibility (CSR) based on triple bottom line and ISO 26000 in their daily activity. These include their corporation with their subsidiaries, employees and other institutions. This company also pays attention to the social problems such as education, healthy, life, etc. So based on those descriptions, the author tries to make a conclusion:

1. Based on organizational governance, there some activities undertaken by PT Astra Tbk include The General Meeting of Shareholders, the Audit Committee, Legal Compliance, Appointment of External Auditors,
Remuneration, Family Relations and Stock Options and Shareholding of Directors and Commissioners. In which all of them are useful for the continuity of the company.

2. In the issues of fair operating practices the activities conducted by PT Astra Tbk, among others are about the share of company profits, the tax paid and the job vacancy are also in accordance with CSR program.

3. The issue of labor practice activities conducted by PT Astra Tbk such as Employee developments and educations, Employee Remunerations and Welfare, the Protecting Employees' Rights and Industrial Relations, Occupational Health and Safety, Astra's Extracurricular starts that PT Astra Tbk really cares for the welfare of the employees.

4. From the issue of human rights activities conducted by, among others PT Astra Car Healthy people (Mokesa), Astra Group Relief Package for Merapi victims worth USD 5.3 billion, Road to 55,000 bags of Blood, Maternal and Child Health (KIAS) Campaign, Free Cataract Operation in "Astra Lights the World" / "Astra Illuminate the World", Ambulance donation, and FIF Free Medical Services. PT Astra pays attention to the activities which have a connection with human.

5. According the customer rights issue activities conducted by PT Astra Tbk, among others one of the Customers Gathering PT United TractorsTbk, A participant displays his skills at the safety riding instructor competition, free
emission test by AstraWorld, and Customer Complaints. PT Astra has already done a lot for its customers, so it is suitable with CSR program.

6. Community involvement and development activities conducted by, among others by PT Astra School Development Program, Development of early childhood education by PT Astra International Tbk, Education, Skill Up, and Training by PT Nusantara Pamapersada, FIF "For you my Master Beloved", School Development Program in Meulaboh, Scholarships, Developing SMEs, Appreciation for Young Entrepreneur, Sunter IGA Areas Program, Partnership Programs, Plasma Plantations and IGA by PT Astra Agro Lestari Tbk, and Astra LAZIS Entrepreneurship Program, also states that all of these activities show the close relationship between the company and community.

7. In accordance with environment issue activities conducted by PT Astra Tbk include Go Green with Astra, Conservation of Mangrove Forests, Urban Forest, Environmental Conservation and Community Based Sanitation Ciliwung, Turtles for Indonesia, and Green Lifestyle Campaign. This company also participates in many activities which have connection with environment.